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Letter dated 1 April 2015 from the Chargé d'affaires a.i. of the Permanent Mission of Zambia to the United Nations addressed to the President of the Economic and Social Council

I have the honour to attach herewith the national report of Zambia on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals, for the annual ministerial review to be held during the high-level segment of the 2015 session of the Economic and Social Council (see annex).

I should be grateful if you would circulate the present letter and its annex as a document of the Economic and Social Council, under agenda item 5 (c).

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Annex to the letter dated 1 April 2015 from the Chargé d'affaires a.i. of the Permanent Mission of Zambia to the United Nations addressed to the President of the Economic and Social Council

National report of Zambia on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals

Summary

The past decade has witnessed Zambia's impressive performance in both economic growth averaging 6.0 per cent and global business competitiveness. However, indicators of human development and reducing inequalities have not kept pace with the rate of economic performance. Ironically, Zambia is among the top five best performers in global business competitiveness in the Southern African Development Community region and has stabilized some of its key macroeconomic indicators such has inflation, which has been reduced to single digits (below 8 per cent) from 109 per cent in 1991. Foreign direct investment has, between 2004 and 2014, increased from $357 million to $2,231 million, thereby making Zambia one of the desired investment destinations in Africa.

In implementing the Millennium Development Goals, Zambia developed 39 indicators for measuring performance towards the 2015 targets. Success has been recorded on indicators related to HIV and AIDS and primary education and those on gender equality in primary education.

Sustained economic growth for reducing poverty, inequality and vulnerability requires strengthened partnerships between the Government, cooperating partners, the private sector and civil society organizations to ensure that national development investments contribute to the well-being of the targeted population. To that effect, the Government has, within the national development planning framework, embarked on transformative development pathways that are creative and innovative enough in pursuit of inclusive, equitable and sustainable growth in the present development agenda. This approach is being anchored on broad-based scenarios that will encompass social justice, institutional transformation, economic diversification and growth.

The approaches highlighted above will be combined with institutional sectoral strategies and policies by government ministries. To buttress the transformative process and ensure that it is coherent and responsive to the needs of beneficiaries, Zambia has put in place the national planning and budgeting policy with a view to linking plans to the budgets and ensuring that development plans become the basis for prioritization and resource allocation. This is also expected to promote the coordination of sectoral planning and deal effectively with the observed inadequate intersectoral synergies, institutional capacities and weak legislation with the aim of supporting linkages between plans and budgets. This is expected to lay a firm foundation for coordinating the implementation of the sustainable development goals.

I. Background

1. During the past 10 years, Zambia has been on a path to achieving its Vision 2030 of becoming a prosperous middle-income country. Underpinned by political and social stability and prudent macroeconomic management, Zambia has experienced robust economic growth during that period. Annual growth in gross domestic product (GDP) has averaged 6.0 per cent, while inflation decreased from 109 per cent in 1991 to less than 8 per cent in the past 10 years. Growth has been driven by strong performance in the extractive industries and, cyclically, by agriculture. In 2010, Zambia graduated to lower middle-income country status and gained wider access to global financial markets. Between 2005 and 2014, foreign direct investment increased from $357 million to $2,231 million. Driven by sustained increases in per capita income, life-expectancy and education, Zambia was classified as a medium human development country in 2014.

2. However, the structural composition of Zambia's economy and its expansive territory, which is characterized by marked regional differences in resources, have generated persistent inequalities. Although Zambia has abundant natural resources, the economy relies heavily on extractive industries that account for more than 70 per cent of export earnings and employ less than 2 per cent of the population, and the country is exposed to the volatility of world copper prices. Approximately 65 per cent of the population lives in rural areas and depends on subsistence agriculture and fishing. Of the 3 million men and 2.8 million women in the work force, only 0.8 million are formally employed, with the remainder either unemployed or informally employed. The preponderance of capital-intensive sectors and low value-addition extractive industries as growth drivers in Zambia's labour-abundant economy aggravates inequalities. Income distribution, as measured by the Gini coefficient in 2010, stood at 0.65.

3. Zambia has vast natural resources to stimulate economic growth. Currently, most natural resources are exported as raw materials with little value addition, thereby inhibiting industrialization, economic diversification and the creation of decent jobs. The country has recognized the need to effectively regulate the utilization of natural resources and undertake climate change mitigation so as to preserve its abundant natural resources, with a view to exploiting them in its quest to reduce poverty.

4. Zambia continues to be fully committed to implementing international conventions, treaties, protocols and the global development agenda such as the Millennium Development Goals and now the forthcoming sustainable development goals. These have played an important role in shaping its development strategies to date and it is expected that the sustainable development goals will play such a role after their adoption. Therefore, wealth creation, poverty eradication, reversing low levels of formal employment, promoting rural development, reducing widening inequalities and promoting economic diversification are central features of the Vision 2030 and will continue to inform the national development plan. These will also continue to be key areas of strategic focus in subsequent development plans.

II. Implementation of national development plans in Zambia

A. Progress made in the implementation of key strategies and policies

5. At independence in 1964, the new Government provided strategies and policies through national development plans that worked well until Zambia faced economic challenges resulting from declining copper prices and the global oil crisis of the 1970s. These led the Government to overborrow in an effort to mitigate its severe economic situation. The poor state of the economy further inhibited the Government from servicing its debt, resulting in an increased debt burden that stifled the country's fiscal space.

6. With a new Government in place in 1991, the pace of the structural adjustment programme was accelerated and included privatization and economic liberalization policies. The Government developed the New Economic Recovery Programme 1992-1994 that was used to both implement the structural adjustment programme and launch a variety of sector investment programmes. The development of these strategies and policies involved various stakeholders, including cooperating partners, non-governmental organizations and civil society organizations. As part of the structural reorganization of the public service during economic reforms, the Government abandoned national development planning, unfortunately leading to the loss of a common development focus, coherence and coordination between sectors and other development partners.

7. In 2002, Zambia reconstituted the national development planning process merging the Poverty Reduction Strategy Paper (2002-2004), supported by cooperating partners, and the Transition National Development Plan (2002-2005).

8. In 2006, Zambia developed a long-term Vision 2030, aimed at transforming the country into a prosperous middle-income country. During the same period, the Fifth National Development Plan (2006-2010) was developed, which aimed at overcoming challenges in sectoral policy and strategy coordination and optimizing the use of limited resources. The economy stabilized, ensuring robust economic growth that averaged 6.0 per cent.

9. Despite the robust economic growth, the mid-term evaluation of the Fifth National Development Plan noted a number of challenges in its implementation that included the absence of a comprehensive legal framework, weak linkages between the national development planning process and the medium-term expenditure framework, including the annual budget. While weak linkages existed within different tiers of Government, national plans, sectors, provinces and districts had limited synergies. These challenges continued in the formulation and implementation of the Sixth National Development Plan (2011-2015).

10. In September 2011, the new Government decided to revise the development plan into the now Revised Sixth National Development Plan (2013-2016), which is a medium-term plan aimed primarily at refocusing government priorities and policies towards rural development, job creation and inclusive growth in line with the new administration's development paradigm.

11. To overcome the challenges in the national development planning process mentioned above, the Government developed the National Development Planning and Budgeting Policy in 2014 that also guides the proposed enactment of the

planning and budgeting legislation. The coming into effect of this policy is expected to provide for institutional arrangements, a legal framework and monitoring and evaluation mechanisms that will bring about synergies between different tiers of Government in the implementation of national plans, including the coordination of the implementation of the sustainable development goals.

B. Zambia's performance in implementing the Millennium Development Goals

12. Zambia's economic performance has outpaced human development indicators and Millennium Development Goal outcomes. The buoyant economic base will help the country to reconfigure its development delivery mechanisms with a view to focusing on meeting human development indicators and unfinished business on the Goals. Though significant progress has been made on a number of the targets of the Goals, this has not been enough to meet most of the intended goals.

13. Poverty levels have not dropped significantly enough to enable the country to meet Goal 1 of reducing extreme poverty to 29.0 per cent. Instead, the poverty headcount declined from 68 per cent in 2004 to 60.5 per cent in 2010. While extreme poverty varied from 11.5 per cent in urban areas to 70 per cent in rural areas in 2006, rural poverty was estimated at 80.3 per cent compared with urban levels of 29.7 per cent. The same pattern was revealed in 2010, where poverty headcount was as high as 77.9 per cent in rural areas compared to urban poverty levels of 27.5 per cent. These results show that both rural and urban poverty declined roughly by 2 percentage points between 2006 and 2010, from 80.3 to 77.9 per cent and from 29.7 to 27.5 per cent, respectively.

14. When adjusted for inequality, Zambia's Human Development Index score drops by 35 per cent. Despite this, all Zambian children attend primary school and gender parity in primary school enrolment has been attained but has fallen in secondary education, from 0.92 in 1990 to 0.86 in 2010. Young adult literacy has increased from 70.1 per cent in 2000 to 88.7 per cent in 2010, while the ratio of literate women to men has remained constant at 0.80. Both secondary education transition and completion have progressed at a slower rate. Furthermore, gender parity in tertiary education has improved to 0.75 in the past five years.

15. With regard to Goal 4, under-five mortality declined from 191 per 1,000 births in 1992 to 75 per 1,000 births in 2013/14, short of the 63.6 per 1,000 births target for 2015. Under-five mortality is highest in rural areas, at 85 per 1,000 births compared with 72 per 1,000 births in urban areas. Infant mortality has also declined from 107 per 1,000 births in 1992 to 45 per 1,000 births in 2013/14. Like under-five mortality, infant mortality is higher in rural areas at 49 per 1,000 births compared with urban areas at 46 per 1,000 births. Despite this performance, Zambia is still short of meeting the Millennium Development Goal target of 35.7 per 1,000 births by 2015.

16. The proportion of one-year-olds immunized against measles improved from 77 per cent in 1992 to 84 per cent in 2013/14. Among the major causes of childhood deaths in Zambia are pneumonia (12 per cent), malaria (12 per cent) and diarrhoea at 8 per cent.[a]

[a] Ministry of Health, *Health Sector Annual Review Report*, Lusaka, 2012.

17. Zambia has recorded a significant decline in maternal mortality, from 649 deaths per 100,000 live births in 1996 to 398 deaths in 2013/14; this, however, falls short of the 2015 target of 162.3 deaths per 100,000 live births. The decline in maternal mortality is attributed partly to the proportion of births attended by skilled health personnel, which increased from 50.5 per cent in 1992 to 64.2 per cent in 2013/14, an increase of 27.1 per cent. Regarding access to reproductive health, the rate increased from 7 per cent in 1992 to 44.8 per cent in 2013/14, an increase of 540 per cent. This is based on the use of contraceptive prevalence rate based on modern methods as a measure to achieve the Millennium Development Goal target. While the current contraceptives prevalence rate is higher in urban areas, at 53 per cent compared with rural areas at 39 per cent, the largest increases in the past five years occurred in rural areas, at 41 per cent compared with 27 per cent in urban areas.

18. The challenges in the implementation of reproductive, maternal, newborn and child health include the poor quality of services, a non-integrated package of care that is delivered in line with the delineation of health facilities by type and issues with regard to the non-availability of commodities, medicines, equipment and supplies. This is coupled with the challenges of production, deployment and retention of skilled human resources, especially in rural areas. Other challenges include a weakened health system with a weak referral system and the absence of effective systems and structures for handling obstetric, neonatal and child health emergencies. Inadequate and short-term financial resources often tend to worsen all the challenges discussed above.

19. To address these challenges, the Government embarked on a drive to recruit more than 7,500 front-line officers in health institutions between 2015 and 2017 and has commenced an ambitious programme to expand health-care services by constructing more health centres, especially in rural areas. Within the course of the Sixth National Development Plan, the Government plans to build a total of 650 health centres so as to increase the accessibility of services to areas that are deprived.

20. HIV prevalence (13 per cent) has been reduced to meet the national target of 15.6 per cent. In addition, Zambia is on track to meet the target of reducing the number of new HIV infections among children to 90 per cent by 2015. The HIV incidence rate (i.e., new infections) remains high throughout Zambia. Young girls and women are disproportionately affected by the virus. Significant progress has been made in terms of providing access to anti-retroviral treatment services. The Government will continue to scale up these efforts and target the population currently being left behind so that the AIDS epidemic does not outrun the response being provided.

21. Zambia has registered significant success in the anti-malaria campaign, although there has been a regression of this stride in the recent past. Malaria cases have risen from 255 per 1,000 in 1990 to 382 per 1,000 in 2014, and in deaths from 11 per 1,000 in 1990 to 22 in per 1,000 in 2014. The Government is critically examining the strategies in place with a view to increasing the momentum it had built in previous years.

22. Although the percentage of population using an improved drinking water source increased to 63.1 per cent in 2013/14 from 49.0 per cent in 1991, access to decent sanitation remains an issue of concern. The proportion of the population without access to an improved sanitation facility increased from 26 per cent in 1991

to 72.7 per cent in 2010. Another concern is the rate of deforestation in Zambia. Though the proportion of land protected to maintain biological diversity has remained relatively stable at 38.8 per cent in 1990 and increased slightly to 41 per cent in 2013, land covered by forest decreased from 59.8 per cent to 49.9 per cent in the same period, owing to the loss of 250,000 to 300,000 hectares of forest to deforestation every year.

23. Zambia, like most developing countries, is trying to cope with the issues of climate change as a result of its low capacity to respond and adapt. The lack of reliable information for decision-making makes it difficult to both predict climate variability and provide early warning for related disasters, and to develop responsive and relevant policies and strategies for a national early warning system. To this effect, Zambia has embarked on a process of mainstreaming climate change adaptation and mitigation measures in its national development plans. Instruments for climate proofing sector strategies have been devised and will be effected in the Seventh National Development Plan.

24. Cognizant of the fact that deforestation and unsafe land use practices are the largest contributors to carbon dioxide emissions, followed by factors associated with industrial activities, mitigation and adaptation measures will be intensified in these sectors while ensuring that other factors that contribute to accelerating climate change are contained. In terms of ozone-depleting substances, Zambia has witnessed a decline from 34.6 ozone-depleting potential (ODP) tons in 1990 to about 2.0 ODP tons in 2008, even though the country was still consuming hydrochloroflurocarbons equivalent to 9.23 ODP tons by 2011. Meanwhile, the proportion of the population using solid fuels has declined from 89 per cent in 1990 to 82.9 per cent in 2010.

25. Overall, there are a number of challenges associated with environmental degradation that include high levels of poverty, which leave majority of the poor, especially in rural areas, dependent on natural resources for livelihoods. As these poor people become more impoverished, they tend to resort to using less sustainable practices of production and harvesting from the already declining natural biomass, thereby contributing to its further degradation. Noticing that this tends to create a vicious cycle, whereby both poverty and resource degradation increase as they mutually re-enforce each other, the Government has introduced specific programmes aimed at reducing heavy dependency on the environment for energy and fuel. The Rural Electrification Programme is one such intervention measure aimed at increasing rural people's access to electricity through affordable and cheaper means, such as solar energy. This intervention has seen the percentage of households with access to electricity rise from 18.5 per cent in 2007 to 27.9 per cent in 2013/14.

26. With regard to meeting the targets for Goal 8, there is observed progress noted based on indicators such as official development assistance (ODA), foreign direct investment, market access, debt sustainability and communication and connectivity.

27. Official development assistance to Zambia had increased from 4.6 per cent of GDP in 2006 to 5.9 per cent in 2009 before declining to 3.0 per cent of GDP in 2013. By 2011, ODA was estimated at $480.16 million.[b] In 2013, total grants accounted for 0.8 per cent of GDP resulting from direct budget support (0.2 per

[b] United Nations Development Programme and Ministry of Finance, *Millennium Goals Progress Report, Zambia, 2013*, Lusaka, 2013.

cent), sector budget support (0.1 per cent) and project support (0.5 per cent). Sector-wide approaches also accounted for a further 0.5 per cent of GDP.[c] With the current trend in ODA, the Government will have to develop and implement innovative and sustainable domestic financing mechanisms.

28. In terms of foreign direct investment, Zambia has witnessed substantial growth in inflows, with the Bank of Zambia estimating a fourteenfold growth between 2000 and 2015, resulting from an improved investment climate based on prudent macroeconomic management. By September 2014, such inflows were estimated at $2,231.5 million, 6.3 per cent higher than the 2013 inflows.

29. Access to markets is paramount for a landlocked country like Zambia that is surrounded by eight countries and has membership in the Southern African Development Community and the Common Market for Eastern and Southern Africa. By removing barriers to trade and embracing a multilateral trading system since 1991, Zambia is now a more open, non-discriminating and rules-based trading economy.

30. Regarding debt sustainability, external public debt fell from 179 per cent of GDP in 2002 to less than 10 per cent in 2007. However, this increased from 10.3 per cent in 2011 to 15.4 per cent in 2012 and was further estimated at around 15 per cent in 2013. By September 2014, external debt stood at $4.7 billion, with domestic debt making up 13.6 per cent of GDP.

31. With regard to information and communications technology (ICTs) and working with the private sector, Zambia has performed reasonably well, with the number of cellular phone subscribers growing from 50,000 in 2000 to more than 10 million in 2012 and having already exceeded a national projection for 2015 of 300 per 1,000 inhabitants. By 2013, the subscriber base was estimated at 10,395,801. Internet penetration increased from 17.3 per 1,000 inhabitants in 2012 to 18.5 per 1,000 inhabitants in 2013.

C. Policy interventions, strategies and lessons learned

1. Policy interventions and strategies

32. An important primary development goal for Zambia is to ensure a national response that creates an environment with greater social justice and equity in accessing the fundamental drivers of development, namely, education, health, food security and jobs, especially among women and the youth. To this end, national development strategies focus on addressing low levels of formal and decent employment, promoting rural development, reducing widening inequalities and promoting economic diversification. Further, the country requires developing capacity to capture revenues from its vast natural resources and reallocate them across the country to reduce income and regional inequalities through investments in both the social and productive sectors.

33. Government development priorities include enhancing national capacity for transforming deep-seated negative sociocultural norms, values and factors that inhibit participation in national processes, gender equality and inclusiveness. Cognizant that limited participation in national processes, such as in national development, undermines nation-building, whereas limited transparency, accountability and

[c] Ministry of Finance, Annual Economic Report 2013, Lusaka, 2014.

inadequate implementation capacity in national institutions adversely affects the achievement of development results, the Government has put a high premium on promoting subsidiarity and broader participation in national planning processes through the National Planning and Budgeting Policy. This is also expected to strengthen the integration of planning processes such as the national budget, physical planning, and decentralized planning systems to bring about coherence of national policies and programmes leading to the attainment of desired outcomes.

34. Strategies have been put in place to strengthen national capacities to promote results-oriented planning and monitoring of development programmes. This resulted in the development of 39 national indicators for measuring performance and subsequently, towards the attainment of the 2015 Millennium Development Goal targets. Beyond this, there are measures to include the identification and targeting of vulnerable populations and work out tangible programmes to empower them. These measures included the establishment of national institutions such as the Citizen Economic Empowerment Commission, the National AIDS Council and the Industrial Development Corporation, and the revitalization of programmes such as the Youth Empowerment Fund, the Women's Empowerment Fund and the Constituency Development Fund. In terms of legislative reforms, the Government passed the Anti-Gender-Based Violence Act and an Education Act. In addition, the Government undertook a constitutional review process to meet the aspirations of the people in respect of governance.

2. Key lessons learned

35. Zambia's achievement of human development objectives and the Millennium Development Goal targets was adversely affected by a set of mutually reinforcing critical factors. The challenge of translating high economic growth into stronger sources of productive employment and low productivity of labour in the agricultural sector slowed down poverty reduction. The slow progress towards poverty reduction adversely affected the achievement of access to health services and the empowerment of women, among other indicators. Similarly, Zambia's population growth rate of 2.8 per cent per annum during the period 2000-2010 was not adequately matched by commensurate social and economic transformation. Service delivery mechanisms have been below the required optimum capacity and this was evidenced by pressure exerted on existing infrastructure such as schools, health and water and sanitation facilities. resulting in reduced quality of services and poor human development indicators. This led the Government to embark on an ambitious expansionary infrastructure development in the health, education, water and sanitation sectors and the road subsector with a view to enhancing service delivery and coping with the rising demands for such services.

36. The Government has also recognized that the "working in silos" approach to tackling developmental challenges by sectors has had a negative impact on addressing the mutually reinforcing factors required to address the Millennium Development Goals. For instance, the reduction of deforestation requires policy and legal interventions in the agricultural, industrial and energy sectors. Further, the mainstreaming of climate change in productive sectors is required to consolidate development gains in sectors such as agriculture, energy and water that have a bearing on Goal 7. In order to redress this, Government has, in the Revised Sixth National Development Plan, put in place an intersectoral collaborative framework to promote synergies between various sectors in the implementation of national

development plans. Similarly, the sector advisory groups that advise the Government on planning, priority setting, implementation and monitoring and evaluation of development programmes are being redesigned to reflect a coherent and interdependent structure of sectors so as to promote collectiveness in tackling development interventions between sectors. The sector advisory groups comprise both State and non-State development actors. This lesson is also drawn from the framework used to successfully implement Goals 2 and 6. Four critical inferences can be elicited from the four targets that have been met, as described in the paragraphs below.

Outcome versus output approach to development

37. In contrast to other Millennium Development Goals, interventions in Goals 2 and 6 were based on multidimensional and multifaceted factors required to achieve a desired outcome. In the case of school feeding programmes (Goal 2), social cash transfers, legal and policy reforms and advocacy programmes were instituted to promote school attendance. As for Goal 6, the National AIDS Council, integral plans, policy reforms, community awareness and access to treatment were part of an integrated approach towards its implementation. Further, the Council was in a position to effectively provide leadership, coordination and fund management for the response to HIV/AIDS.

38. By contrast, an output approach was taken in the implementation of Goals 4, 5, and 7, which posted slower progress. Policies and legal frameworks to address deforestation were taken without ensuring coherence with those in agriculture or industry. Further, adequate investment or policy environment to promote alternative energy sources was not fostered to reinforce the measures required to stem deforestation. Inadequate linkages between increased secondary and tertiary education with reduction in child mortality and better maternal health were defined and addressed. Moreover, the need for providing physical infrastructure such as roads was not identified as a facilitator in the achievement of Goals 4 and 5. A modest decrease in child and maternal mortality rates has been observed with an increase in investment in physical infrastructure and support through skilled health staff at facilities.

Institutional arrangements

39. Effective and accountable institutions are necessary for the successful attainment of the development agenda. This requires investment in data generation and effective monitoring arrangements as an integral part of management. In the future, the coordination of policies and plans will form part of the discourse on institutional arrangements to domesticate the global development agenda and commitments.

Mechanism and policies

40. While the Millennium Development Goals in themselves were well articulated, there were no clear mechanisms or policies to adequately support targeting or implementation at the national level. The coming into effect of the National Planning and Budgeting Policy and its ensuing legislation is expected to resolve this.

Broad based engagement

41. Engagement on the Millennium Development Goals was primarily government led, with minimum public participation in their formulation and implementation. Limited public engagement contributed to weak national ownership, public accountability and resourcing of interventions. The reorganization of the sector advisory groups is necessitated in part by the need to galvanize the support of the private sector, civil society organizations and faith-based organizations so as to enlist their involvement in project implementation.

3. Collaboration with development partners

42. For Zambia, collaboration with development cooperation partners is expected to contribute towards ensuring that: (a) productive sectors expand income-earning opportunities that are decent and sustainable, especially for youth and women in the poorest areas; (b) partnerships with the private sector, in particular those in the extractive, agriculture and energy sectors, are strengthened to develop and support projects/programmes together; (c) national institutions at all levels target, manage, coordinate and account for resources for equitable service delivery; (d) Zambia promotes equitable and effective participation in national and democratic processes, especially by women, youth and marginalized groups; and (e) the protection and promotion of human rights and human security, access to justice and gender equality, with particular focus on the rights of marginalized and vulnerable groups, are improved.

43. New cooperation architecture is expected with Zambia transitioning to middle-income status. The new architecture should be three dimensional, that is, donor nations extending support, the recipient nation receiving and the two together developing a sustainable capacity. The cooperation is therefore expected to comprise innovative approaches to supporting the Government in developing capacities and institutions that can respond quickly to internal and external shocks. This includes support to the transformative institutional and capacity development required to promote national programme and policy coordination and coherence. At the same time, support is needed for the transformation of negative social and cultural traditions to facilitate broad-based participation, greater transparency and increased accountability, wider adherence to the rule of law and a better response to climate change.

44. The collaboration with the international community is expected to contribute towards fostering environmentally sustainable inclusive economic growth, democratic governance for enhanced citizen participation and strengthening institutions to ensure access to basic services. It is further expected to strengthen policy coherence, accountability, institutional reform and public participation for the reduction of poverty and inequalities. In addition, the Government would like to domesticate successful experiences in resource mobilization to reinforce its capacity to access and manage existing and emerging vertical funds such as the Green Climate funds, which are critical for countries in transition to middle-income status.

45. Based on past experiences within Zambia and other developing countries, the United Nations and its programmes and Green Climate funds are better placed to assist Zambia in cultivating an environment that will:

(a) Foster innovation and the development of independent thought and policy options;

(b) Develop policies and normative frameworks and their subsequent implementation, in line with the international conventions and treaties to which Zambia is a State party;

(c) Develop knowledge networks and sharing, and the piloting of new initiatives;

(d) Build the institutional capacity of partners at all levels.

III. Thematic focus

A. Opportunities and transition to the sustainable development goals

46. Zambia welcomes the five transformative areas upon which the sustainable development goals are founded because they provide the fundamental basis for social justice and are in line with the country's national values, principles of national development and Vision 2030.

47. Valuable lessons have been learned from the implementation of the Millennium Development Goals and the successful broad-based participation during the development of the sustainable development goals. Therefore, Zambia's transition to and domestication of the sustainable development goals should be based on the following principles: (a) broad-based engagement across government ministries, the community and national institutions; (b) the recognition of the goals as applicable to the developed countries as they are to the developing countries and thereby dictating a new development cooperation architecture; (c) the adoption of engagement strategies that promote partnerships in a transformative manner by seeking to develop the capacities of national institutions and Zambia's human capital rather than having development partners directly providing service delivery.

48. Zambia will endeavour to undertake bold steps for the successful transition from the Millennium Development Goals to the sustainable development goals. A new development paradigm based on partnerships as opposed to donor nation/recipient nations, underpinned by solidarity, cooperation and mutual accountability, will be encouraged alongside the approval process for the goals. Zambia will support global and national development policies that are outcome-based as opposed to output-based. Therefore new capacities need to be developed at all levels, in countries of the global North and South as well as in development agencies. Furthermore, Zambia underscores the need to ensure that the development of institutions and human capital are made an integral part of the development process.

49. At a national level, the primary focus needs to be placed on sustainable development at the core of socioeconomic policies. This requires the integration of the social, economic and environmental dimensions of sustainability. Under the sustainable development goal agenda, Zambia will, on its part seek, to transform its economies for jobs and inclusive growth, build peace and effective, open and accountable institutions and forge a new global partnership.

50. An opportunity has, however, been provided in Zambia for working within the broader United Nations development agenda through the development of the country's

demographic dividend model that harmonizes with the long-term Vision 2030. Using the targets derived from this demographic dividend study, the Government is revising the national population policy, with a view to making it an overarching policy from which other sectoral policies will derive respective strategies and policies. The demographic dividend model and the revised national population policy will further guide the direction, targets and strategies for the Seventh National Development Plan (2017-2021).

51. Within the framework of the national development and budgeting policy, Zambia will aim at strengthening the coordinated approach in undertaking the national development planning process. While the policy enhances the implementation of the long- and medium-term plans as it establishes a link between the plan and the medium-term expenditure framework and subsequently, the annual budgets, it also promotes the decentralized governance architecture as envisaged under the national decentralization policy and the proposed decentralization implementation plan.

52. Zambia's development and launch of the National Strategy for the Development of Statistics, in September 2014, is a great opportunity to ensure that accurate and timely data are made available to decision makers, including citizens in marginalized rural communities. Statistical evidence, especially at the grass-roots community level, highlights the magnitude and manifestation of existing inequalities and vulnerabilities. Subnational information to the rights holders enables them to realize their circumstances and encourage their participation and possible representation in national development processes at all levels in order to claim their rights. A sensitized and empowered marginalized group of rights holders will demand decentralized decision-making and fiscal devolution based on a domestic resource allocation system. This will in turn strengthen local-level institutional capacities that have been major bottlenecks in ensuring the implementation of the national decentralization policy in Zambia.

53. The timing of the sustainable development presents a valuable opportunity for Zambia, as the country would be in the process of articulating its Seventh National Development Plan (2017-2021). The United Nations system would be welcome to partner with Zambia in domesticating the sustainable development goals into the strategies of the plan.

54. Most important in this transitioning period is the element of governance, a key core pillar that cuts across all the key core dimensions of the sustainable development goals. Governance was not a core dimension of the Millennium Development Goals; however, it is key to enhancing Zambia's performance even in the national development planning process.

IV. Conclusions and recommendations

Conclusions

55. For Zambia to ensure the balance of inclusive economic development and generate enough resources to ensure investment for social inclusion and the improved well-being of all Zambians, the country will need to embrace new technologies that will combine improving the living standards of the poor and managing ecological

challenges. The significance given to science and technology in the Revised Sixth National Development Plan is progress in the right direction even though the mainstreaming of science, technology and innovation into sectoral strategies, as is also the case with environmental sustainability, is probably more effective.

56. Despite Zambia's efforts through the Private Sector Development Reform Programme, there has been very minimal participation of the private sector in the implementation of the Millennium Development Goals. As Jeffrey Sachs indicated, the private sector is the main productive sector and holder of much of the advanced technologies and management systems that will be crucial for the success of the sustainable development goals.[d] Moreover, the private sector should support the sustainable development goals in practical and measurable ways, with their policies, production processes and engagement with stakeholders. Unlike with the implementation of the Millennium Development Goals, Zambia will have to create a comprehensive mechanism of engaging the private sector during the sustainable development goals process.

57. Finally, Zambia's eligibility to the low middle-income status has brought challenges. The performance in the Millennium Development Goals characterize that of a poor country which also faces declining ODA, when the country depends on more than 80 per cent of support from external resources that have enabled it meet two indicators, on HIV and AIDS, among only four Millennium Development Goal indicators achieved. Zambia, therefore, should devise a sustainable mechanism for ensuring domestic financing if it is to maintain or even improve the achievements made in combating HIV and AIDS.

Recommendations

58. It is evident from the present report that the business-as-usual macroeconomic growth and the trickle-down pathways of the past are not working in Zambia and they continue to exacerbate inequalities. In order to have a transformative change during the transition from the Millennium Development Goals to the sustainable development goals, the following measures are recommended:

(a) Putting in place a comprehensive rights-based, equitable and suitable approach to national development based on governance principles that enable participation of the poor in the national development process is critical to enhancing the country's performance in the implementation of national development plans and the sustainable development goals;

(b) Addressing the observed challenges of policy coordination, fragmentation and incoherence while ensuring that cross-cutting issues of governance, gender, HIV/AIDS, labour, environmental sustainability, science, technology and innovation are mainstreamed into sectoral strategies and policies is a development imperative that the country should continue pursuing;

(c) Using the targets derived from the demographic dividend study, the revision by the Government of the national population policy with a view to making it an overarching policy from which other sectoral policies will derive respective

[d] Jeffrey D. Sachs, "From Millennium Development Goals to sustainable development goals", *The Lancet*, vol. 379 (9 June 2012).

strategies and policies is important in laying a firm foundation for the implementation of the sustainable development goals and the subsequent national development plan. The demographic dividend model and the revised national population policy should further guide the direction, targets and strategies within the Seventh National Development Plan (2017-2021);

(d) The localization of national development indicators through a clear framework of accountability based on clear goals, operational time-bound targets and indicators that can be measured at the subnational community level, with the participation of marginalized groups, will smooth the implementation of the sustainable development goals and other agreed upon international development frameworks;

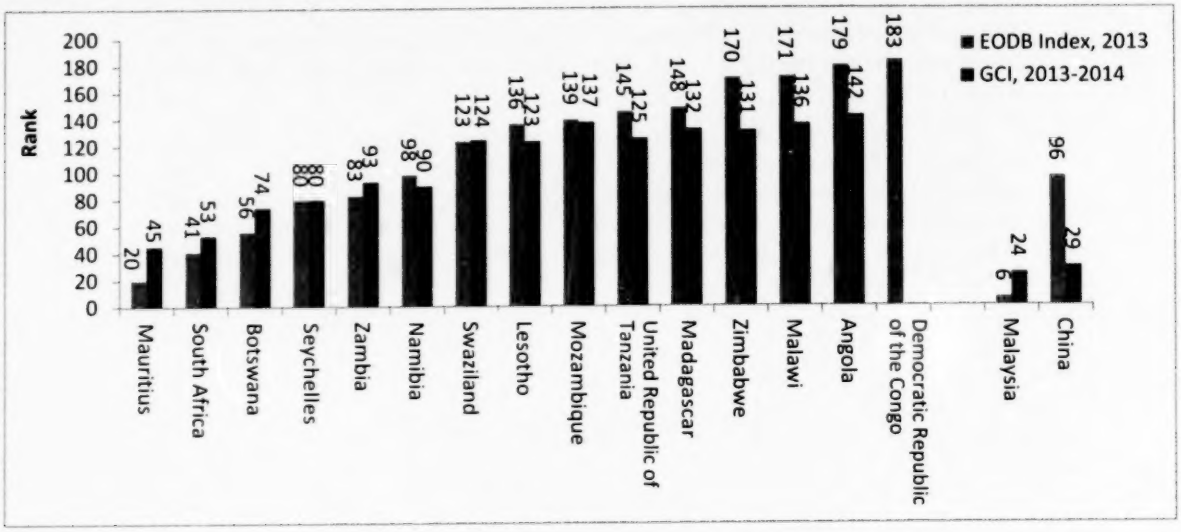
(e) The Government, with the support of partners, should remain focused in its endeavour to strengthen statistical systems and the use of quality data to improve policy design and monitoring. Strategies and policies must be harmonized with the statistical calendar to avoid time lags between data and milestones for goals, targets and indicators as was the case during the implementation of the Millennium Development Goals.

Enclosure

Statistical information

Figure I

Ease of Doing Business Index and the Global Competitiveness Index rank out of 189 and 148 countries, respectively, for countries of the Southern African Development Community compared with Malaysia and China, 2013

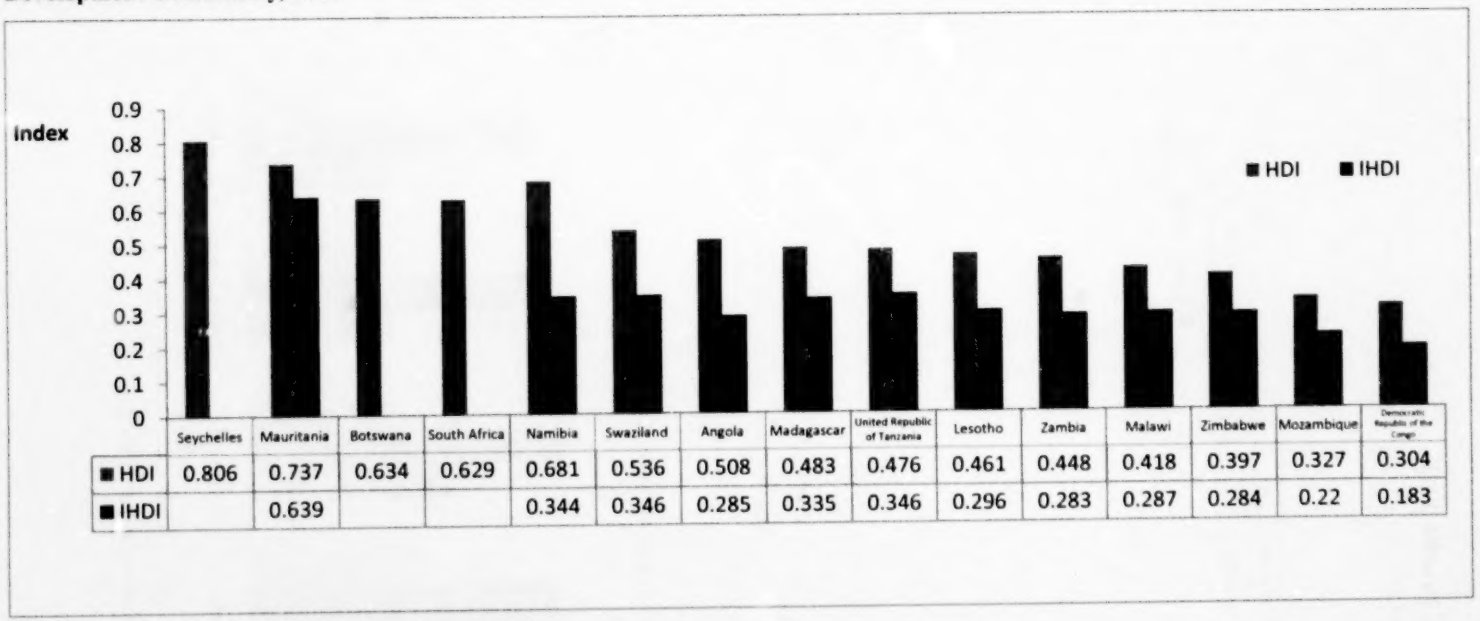


Source: World Bank, *Ease of Doing Business Report 2014*; and World Economic Forum, *The Global Competitiveness Report 2013-2014*.

Abbreviations: EODB, Ease of Doing Business; GCI, Global Competitiveness Index.

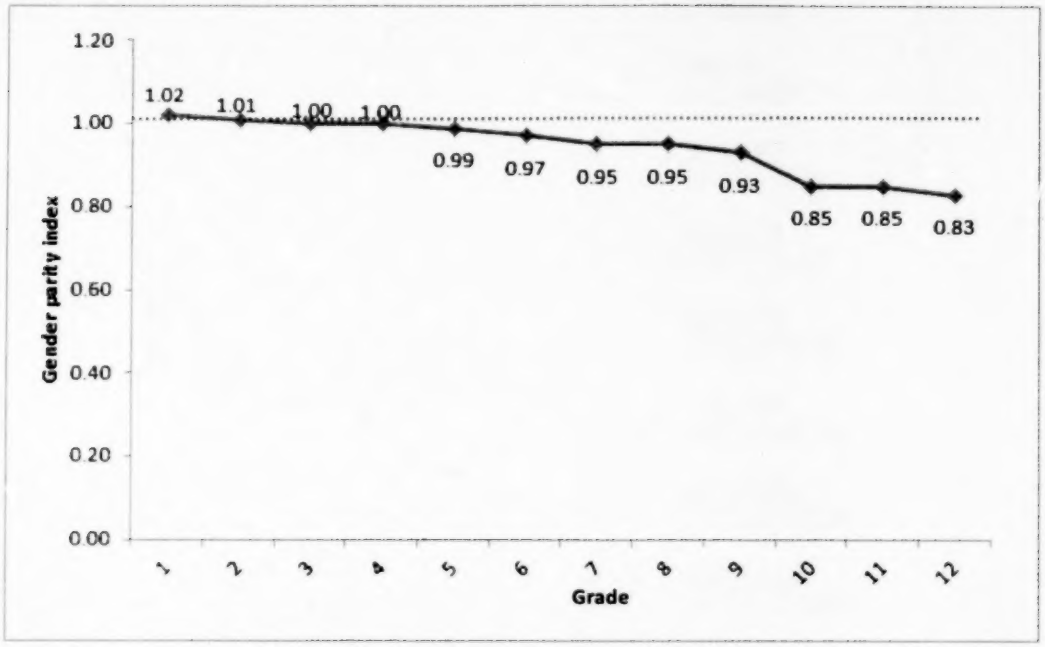
Figure II

Human Development Index and Inequality-Adjusted Human Development Index, for countries of the Southern African Development Community, 2012



	Seychelles	Mauritania	Botswana	South Africa	Namibia	Swaziland	Angola	Madagascar	United Republic of Tanzania	Lesotho	Zambia	Malawi	Zimbabwe	Mozambique	Democratic Republic of the Congo
HDI	0.806	0.737	0.634	0.629	0.681	0.536	0.508	0.483	0.476	0.461	0.448	0.418	0.397	0.327	0.304
IHDI		0.639			0.344	0.346	0.285	0.335	0.346	0.296	0.283	0.287	0.284	0.22	0.183

Figure III
Gender parity index in all schools by grade, Zambia, 2013



Source: *2013 Educational Statistical Bulletin*, April 2014.

Figure IV
Extreme poverty by employment in rural and urban areas of Zambia

Source: Central Statistical Office, Living Conditions Monitoring Survey 2010.